

**SUPPLEMENT TO FISCAL YEAR 2005-06  
BUDGET ACT ALLOCATION  
ALLOCATION METHODOLOGIES**

**FEDERAL TRUST FUNDS**

Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds (federal program number 93.959) are provided by the Substance Abuse and Mental Health Services Administration. The Federal Fiscal Year (FFY) 2006 SAPT Block Grant award number is 06B1CASAPT-03. SAPT Block Grant funds from the FFY 2006 award are available for obligation and expenditure beginning October 1, 2005, and must be expended by June 30, 2007.

**• Ongoing \$2,200,000 Reduction to FFY 2006 SAPT Block Grant Award**

California received a reduction of \$2,412,000 to the FFY 2006 SAPT Block Grant award. The Department of Alcohol and Drug Programs (ADP) has received budget authority to allocate this reduction in FY 2005-06 on an ongoing basis. A portion of the reduction is allocated for required set-asides; a 20 percent (\$482,400) reduction was taken in the Prevention Set-Aside, and a five percent (\$120,596) reduction was taken in the HIV Set-Aside. The remaining reduction of \$1,597,000 was distributed to the counties in their Discretionary, Adolescent Youth, Perinatal, Female Offender and Special Projects funds. These SAPT fund reductions, as described below, must be included in each county's Version 2 budget. Substance Abuse Treatment and Testing Accountability (SATTa) funds are excluded from the reduction.

After considering the County Alcohol and Drug Program Administrators Association of California (CADPAAC) motion to include Perinatal in the statewide reduction, ADP determined the Perinatal Program reduction amount and will offset the \$170,625 reduction to Perinatal Program funding in FY 2005-06 State Operations. It is the intent of ADP to absorb this reduction on a one-time basis for FY 2005-06 to allow the counties to plan for this reduction in FY 2006-07. The decision was based on the nature and difficulty of establishing and maintaining Perinatal Programs and the anticipated influx of women from the proposed FY 2007-08 California Department of Corrections and Rehabilitation early release policy.

The standard reduction methodology used to make this reduction is a hold harmless methodology developed by the Fiscal Workgroup (FWG) and in agreement with CADPAAC. The hold harmless methodology states that if reductions occur, they are distributed proportionate to the total allocation base of each county, except Minimum Base Allocation (MBA) counties (those with less than 100,000 population), until the reduction equals five percent statewide. If reductions exceed five percent and there are no other sufficient revenues to decrease the loss to five percent, then all counties including MBA counties shall participate in funding reductions on a proportionate basis above five percent. The SAPT Block Grant reduction for FFY 2006 did not exceed five percent of the total SAPT allocations and as a result, MBA counties did not share in the reduction.

At the request of CADPAAC, ADP will reduce the remaining SAPT Negotiated Net Amount contract payments equally beginning with the May 2006 payment through September 2006.

**SAPT Discretionary Ongoing Reduction FFY 2006 Award - \$1,342,843**

SAPT Discretionary funds are for substance abuse treatment, prevention and recovery services, as well as for specific populations, such as youth and pregnant and parenting women. Terms and conditions for use of the SAPT Block Grant funds are incorporated into the Net Negotiated Amount contracts for FY 2005-06.

The ongoing FFY 2006 SAPT Discretionary reduction is allocated using the standard reduction methodology.

**Prevention Set-Aside Award Ongoing Reduction FFY 2006 Award - \$482,400**

Federal law requires that 20 percent of the SAPT Block Grant be expended on primary prevention services.

The ongoing FFY 2006 SAPT Prevention Set-Aside reduction is allocated using the standard reduction methodology.

**HIV Set-Aside Ongoing Reduction FFY 2006 Award - \$120,596**

Federal law requires that five percent of the total SAPT Block Grant award be expended on HIV early intervention services. HIV early intervention services must be made available to individuals in a substance abuse treatment program at the treatment site. HIV early intervention services may also be provided at other locations, including satellite treatment sites provided services are also available at the substance abuse treatment site. These funds are for HIV prevention, testing, and counseling services for clients in treatment programs.

The SAPT HIV FFY 2006 Award reduction will be distributed to each county's FY 2005-06 base allocation using the HIV allocation methodology based on updated methodology indicators.

The reduction will allow the HIV Set-Aside Program to maintain its mandated five percent (5%) of the total Block Grant Award when the individual county allocations are developed.

**Perinatal Set-Aside Ongoing Reduction FFY 2006 Award - \$170,625**

**Perinatal Set-Aside One-Time Offset FFY 2006 Award - \$170,625**

The Perinatal program is part of the Perinatal Services Network and is subject to the requirements set forth in the Perinatal Services Network Guidelines. Counties must use these funds to increase or maintain existing perinatal treatment capacity and programs.

Counties may also use the SAPT Perinatal Set-Aside funds to expand static capacity in existing perinatal programs, add new perinatal services or programs, and change existing programs.

The Perinatal reduction is allocated using the standard reduction methodology. For FY 2005-06, ADP will offset the \$170,625 reduction on a dollar for dollar basis.

**Female Offender Treatment Services Reduction FFY 2006 Award – \$6,450**

This program provides six months of community residential AOD treatment for paroled women completing the in-prison Forever Free program at the California Institution for Women. The four participating counties are Los Angeles, Orange, Riverside, and San Bernardino. Women on parole not completing the Forever Free program may participate if the program under-utilizes the funding.

The SAPT Female Offender Treatment Services reductions will be applied to each participating non-MBA county proportionate to each county's FY 2005-06 base allocation.

**SAPT Special Projects/Media Campaign Reduction FFY 2006 Award – \$2,885**

Funds for special projects are allocated to the following:

<u>County</u>	<u>Special Project</u>	<u>Amount</u>
Alameda	African American Women's Media Campaign	\$27,500
Los Angeles	Alcohol Center for Women	95,000
Los Angeles	Hispanic Women's Media Campaign	65,000
Los Angeles	African American Women's Media Campaign	27,500
Modoc	Indian Health Project	25,000

The SAPT reductions to Special Projects/Media Campaign reflected in the FFY 2006 Award will be offset by unallocated SAPT Special Project funds. None of the above project amounts have changed from prior years.

**Adolescent Youth Treatment Program Reduction FFY 2006 Award – \$74,201**

SAPT Adolescent and Youth Treatment funds provide comprehensive, age-appropriate alcohol and other drug (AOD) services to youth. The *Youth Treatment Guidelines* released by ADP in September 2002 are designed for counties to use in developing and implementing youth treatment programs funded by this allocation.

SAPT reductions will be applied to the FY 2005-06 SAPT Adolescent and Youth base allocation amounts using the standard reduction methodology.